Governor:

The first three items are from Jim. The rest is a mix of ideas and early text.

General notes from Jim:

1. Katrina

Achieve a "wow" factor by highlighting with bullets all that has been accomplished in the last year in the Katrina recovery. CDBG programs; law enforcement grants; social services grants; assistance to school districts; progressive environmental legislation and funding through the utility authority; debris removal; reduction in the number of people in travel trailers; direct state assistance to hardest hit local governments; modular housing tax cut; etc.

2. The past 3 years of Legislative accomplishment

Congratulate and remind the legislature on the significant reforms they have achieved in the last three years (tort reform, workforce training, balancing the budget, record education funding, UpGrade, Momentum Mississippi). Highlight the results of more and higher paying jobs.

3. Promote your legislative agenda

- a. Balance the budget and rebuild our rainy day fund while investing in all levels of education
- b. Focus on crime by increasing the number of narcotics agents by 50% and putting a new focus on punishing convicted felons caught in possession of a firearm
- c. Help achieve a Healthy Mississippi by requiring all elementary school students to have 30 minutes of physical activity each day
- d. Stabilize the insurance market by enacting reforms to the state wind pool

Other items to consider:

Disaster does not create character. Disaster reveals character. Katrina has revealed a character and a spirit and the nation noticed.

The agenda is clear; the direction is clearly toward the future

Pay homage to the past, live in the present, build for the future

Charts:

IHL

CJC

k-12

Education overall

Pie chart

Job growth

Retail sales growth

National Civil Rights Museum – intro Reuben Anderson, Charles Pickering in gallery; half million dollars of private money already raised, 50m-100m total

Mississippi – Birthplace of America's Music; Blues trail markers

Charrette

Alternative housing

(TEXT)

Lt. Governor Tuck, Speaker McCoy, ladies and gentlemen of the

Legislature, fellow Mississippians: Thank you and good evening.

(RECOGNIZE FIRST LADY)

When I stood in this space for the first time in January 2004 and outlined my view of state government, I said the Executive and Legislative branches are partners, not adversaries. I said then that we represent the same people, and they rightly expect us to work together.

Tonight, as I stand here before you for my fourth State of the State address, I can tell you emphatically we not only can work together but over the past three years we have worked together to solve many pressing issues. Yes, I know there are those who throw out the flag of partisanship as if our work is a football game and some offense has been called and some penalty must be assessed.

To them, and all of you gathered within and beyond these walls tonight, I say healthy debate is not a sign of partisan weakness; it is a sign of governing strength. We differ, we bicker, we talk, we explore options, we work through it, and we will persevere in our mission of taking Mississippi to new heights of prosperity.

And we will do it knowing full well that more of the people in this chamber tonight have D's behind their names than R's. Such is the bipartisan nature of governing.

(COMMENTS ON LT. GOV. TUCK, main message - her leadership of the Senate and in the state will be missed.)

The challenges of the past 18 months have been enormous and know no political party. When the worst natural disaster in American history struck our shores and devastated our coastal communites, it would have been easy to throw up our hands in frustration at the simple thought of making it through another day. It would have been easy to bow down to bureaucratic inertia and the unnatural tendency of governments to get in the way of something like recovery. It would have been easy to leave more than 44 million tons of debris on the landscape to rot at its own pace. It would have been easy to tell xxthousand school children, sorry, the schools will be closed for a long, long time. It would have been easy to float on a tide of economic uncertainty. It would have been easy to tell more than xxthousand homeowners along our great Gulf Coast to do the best they can, that

government is the enemy, that there is to be no help. It would have been easy to accept defeat, to look to fate alone for some kind of renewal.

But none of us could have lived with that sort of approach. We Mississippians are just not made that way. We brushed fate out of the picture and embraced faith – in ourselves and our institutions and in our religions and in our fellow Americans – as the thing that would carry us through.

Our faith that our country would respond in our time of need was not rooted in history, for the United States government had never given as much money or as much latitude to a state as Mississippi received under federal Katrina recovery legislation. Instead of relying on the pages of history as a guide we decided to write a whole new book guided by the light of genuinely innovative ideas. These ideas took the form of homeowner assistance through Community Development Block Grant programs, social services grants, law enforcement grants, assistance to school districts. We pushed the envelope to include progressive environmental legislation and funding through a new regional utility authority. We removed debris faster than has ever been done before. The number of people in travel trailers drops every day while direct state assistance to the hardest hit local governments has

made them functional again. We didn't invent the word "charrette" but we did give it a modern meaning through creative ideas for new neighborhoods that include a mix of traditional and alternative housing, such as modular housing.

Tonight, I can report that we fought hard in Congress for the right to demonstrate a new way in America to help victims recover and rebuild from the horror of a natural disaster like Hurricane Katrina. Our efforts were rewarded with the Katrina emergency appropriations bill, which made available nearly 10 billion federal dollars in Mississippi, over and above the \$15-\$17 billion already destined to be spent here under existing federal disaster assistance laws.

Most unprecedented is a program that will allow the state to use approximately \$4 billion of federal grant money to help homeowners whose homes were outside the flood plain but were destroyed by Katrina's storm surge. This was the top priority of the state and for our Congressional delegation, and, even though it had never been allowed before, Congress passed it and the President signed it. A second phase will mean assistance

for homeowners who suffered damage from flood surge regardless of whether they lived inside or outside the flood plain.

The Katrina bill carried funds for highway and bridge reconstruction, to support law enforcement, for environmental restoration, to rebuild our military facilities and for naval shipbuilding. Unprecedented funds for social services and for economic and community development programs were included.

I said from the beginning that programs and the dollars that fund them would be audited and investigated to ensure that monies are spent wisely and appropriately. Critics have whined; let them. I have learned it's only about eighteen inches from a pat on the back to a kick in the pants. I accept the fact that I made mistakes, state government made mistakes, local governments made mistakes, the federal government made mistakes. But I will never back away from my commitment to demonstrate to other Americans that their faith in us is on solid ground no matter the weather.

Nor will I forget the overwhelming generosity of our federal government. To date, Mississippi has received an astounding level of assistance:

(((BULLETS, RECOVERY FACTS)))

(THIS DECISION NOT YET MADE, but would be great if can arrange to announce)

And, running the risk of what my old boss Ronald Reagan often described as "committing news," I am pleased to announce to you that I learned earlier today the Federal Emergency Management Agency has approved my request to extend federal disaster housing benefits until the end of February in the year 2008.

This one-year extension gives people another 12 months to rebuild or repair their homes and get on with the business of building a better life. It's another extraordinary example of how the federal government continues to help us help ourselves.